

**LATE**

**SB-989-SD-2**

Submitted on: 3/19/2019 11:13:54 AM

Testimony for EDB on 3/20/2019 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jacqui Hoover	Individual	Support	No

**Comments:**

My comments refer to SB989 proposed HD1. Please consider reinstating language and funding in support of the Economic Development Boards (EDBs) as provided for in SB989 SD2 and which is excluded in proposed HD1.

The Economic Development Boards are private sector, member-based, and non-profit entities working to strengthen and diversify our economy. Because of our "boots on the ground" work in our respective communities, we are often called upon to provide the community perspectives, needs, and assist with developing strategies for socio-economic resilience. Indeed, Hawaii State Legislature and other policy makers in the State of Hawaii often depend on the EDBs to participate in such efforts ranging from aerospace to energy to education to homelessness and housing to visitor industry to workforce development, etc. including and not limited to, unfunded mandates such as being seated on various advisory and working groups.

The EDBs have worked collectively to develop the Hawaii State Comprehensive Economic Development Strategy (CEDS) with the Department of Business, Economic Development, and Tourism (DBEDT) and Office of State Planning (OSP). The CEDS is required by the U.S. Department of Commerce Economic Development Administration (EDA) as both an economic roadmap and to allow the State (and Counties) access to EDA and other federal funding. Respectively, the EDBs developed the CEDS for the four Counties.

In order to execute the CEDS, secure and deploy funding to support infrastructure and job creation in Hawaii's key industry sectors and for disaster recovery and resilience, it is important that funds be provided to support the EDBs efforts. Such funding which can and is used by EDBs to serve as matching funds to both private and federal funding, was provided by legislature in years past (over a decade ago) and we humbly request that such funding be reinstated.

Mahalo for this opportunity to speak on behalf of Hawaii Island Economic Development Board (HIEDB) incorporated in 1984 to provide and promote private sector support and expertise for balanced growth in Hawaii County in partnership with public and private resources, and for the State of Hawaii as a member of the Economic Development Alliance of Hawaii (EDAH) comprised of the four Economic Development Boards and Hawaii Business Roundtable.

Respectfully submitted,

Jacqui Hoover, Executive Director and COO

Submitted Via Online  
March 19, 2019



Testimony of the  
Oahu Economic Development Board (OEDB)  
**SB 989, SD2 Proposed HD1**  
**RELATING TO TELECOMMUNICATIONS**

**LATE**

COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS

Rep. Angus L.K. McKelvey, Chair  
Rep. Lisa Kitagawa, Vice Chair

Wednesday, March 20, 2019  
10:00 a.m.  
Conference Room 309  
State Capitol  
415 South Beretania Street

Aloha Chair McKelvey, Vice-Chair Kitagawa, and Members of the Committee,

The Oahu Economic Development Board (OEDB) submits comments to SB989 proposed HD1. OEDB requests that the committee consider reinstating language and funding in support of the Economic Development Boards (EDBs) as provided for in SB989 SD2 and which is excluded in proposed HD1.

The Economic Development Boards are private sector, member-based, and non-profit entities working to strengthen and diversify our economy by working collectively to develop the Hawaii State Comprehensive Economic Development Strategy (CEDS) with the Department of Business, Economic Development, and Tourism (DBEDT) and Office of State Planning (OSP).

In order to execute the CEDS, secure and deploy funding to support infrastructure and job creation in Hawaii's key industry sectors and for disaster recovery and resilience, it is important that funds be provided to support the EDBs efforts. Funding provided in the past has been used by EDBs to serve as matching funds to both private and federal funding and we request that funding be reinstated.

Mahalo,

Pono Shim  
President & CEO



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DAVID Y. IGE  
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MIKE MCCARTNEY  
DIRECTOR

## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of  
**Mike McCartney**  
Director

Department of Business, Economic Development, and Tourism  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & BUSINESS**

Wednesday, March 20, 2019

10:00 AM

State Capitol, Conference Room 309

**LATE**

In consideration of  
**SB989, SD2, Proposed HD1**  
**RELATING TO THE DEPARTMENT OF BUSINESS,**  
**ECONOMIC DEVELOPMENT AND TOURISM.**

Chair McKelvey, Vice Chair Kitagawa and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) appreciates the intent and offers the following **comments** on SB989, SD2, Proposed HD1, which seeks to strengthen Hawaii's creative, film and media industries development through four additional positions to support the fiscal and accounting demands of the film tax credit and division programs, expands funding opportunities for creative entrepreneurs and the infrastructure development to advance the growth of creative, film and media industries.

The department looks forward to working with the Legislature to support Hawaii filmmakers and content creators through renaming of the department's existing special fund for television and film development. This is a commitment we must make to ensure our mutual goals to support works by our local film and media industries. We request your consideration of noting Hawaii's independent filmmakers on page 13, item (1) line 9, by inserting "Hawaii Filmmakers" before the word "creative" to reflect this.

CID is comprised of two branches; the arts and culture development branch and the film industry branch (aka Hawaii Film Office), with eleven civil service employees in the division. As written, this proposed draft, as well as HB773, HD2, still have many inconsistencies in language where the arts and culture development branch is concerned and may have been omitted accidentally in several sections.

The workload of the Hawaii Film Office (HFO) has increased particularly in light of changes--most notably the new \$35 million spending ceiling--to the motion picture, digital media and film income tax credit through Act 143, as well as the move to streamline the film permitting process to support a growing film industry. It is worth noting therefore that the accountant and the film specialist positions are critical to augment the capacity and skill sets needed to continue managing the tax credit and film permitting programs as well as the new tax credit oversight requirements.

DBEDT already has the latitude to address any restructuring and/or renaming of the division and pledges to ensure your intent is achieved in consultation with all stakeholders and required parties.

Thank you for the opportunity to testify.

**LATE**

March 19, 2019

**Testimony to the  
Committee on Economic Development and Business**

**SB 989, SD2  
Relating to the Department of Business, Economic Development and Tourism**

The four Economic Development Boards (EDBs) in Hawaii were created beginning in 1982 on Maui and followed in quick succession by the formation of Kauai, Hawaii Island and Oahu Economic Development Boards. The resulting robust relationship of the EDBs was founded on shared values, goals, and strategies that persists to today. In 1998, the EDBs formalized their spirit of collaborative, community-based economic development by forming a statewide nonprofit 501(c)(3) corporation called the Economic Development Alliance of Hawaii or EDAH.

I am testifying today as the Chair of EDAH. EDAH is now comprised of the leaders of the state's four Economic Development Boards, the Hawaii Business Roundtable, the Research Corporation of the University of Hawaii, and other representatives from the nonprofit and business community. EDAH works with the public and private sectors and other community-based organizations and individuals to spur economic growth and sustainability throughout the State of Hawaii.

**The Economic Development Alliance of Hawaii (EDAH) supports SB989, SD2 and would therefore request that if the proposed HD1 moves forward that it be amended to reinstate the funding to the Economic Development Boards. EDAH stands ready to assist with this outcome.**

In their over 35-year history, the EDBs have demonstrated their capacity to advance economic diversification across the state through numerous projects and initiatives. Their efforts have fostered solid outcomes in sectors such as astronomy and optics, space surveillance, health care, energy, agriculture, and small business development. These range from technical assistance workshops to one-on-one mentoring to awarding New Market Tax Credits. To prepare our residents for competing and filling the opportunities in these sectors, they have brought innovation to STEM education and workforce development. They regularly ensure the voices of our residents are "at the table" in economic development directions through grassroots processes and conferences.

**As always, this funding for the EDBs will continue to be leveraged with funding from the private sector, other public sector sources and foundations to accomplish its statewide goals.**

Respectfully submitted,



Jeanne Unemori Skog  
Chair  
Economic Development Alliance of Hawaii